

**MINUTES OF THE
BOARD OF DIRECTORS OF THE
ARLINGTON TOMORROW FOUNDATION
August 26, 2014**

The Board of Directors of the Arlington Tomorrow Foundation convened in Special Session on August 26, 2014, at 3:00 p.m., at the Arlington City Hall, Council Briefing Room, 101 W. Abram St., Arlington, Texas, with the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted as prescribed by V.T.C.A., Government Code, Chapter 551, with the following members present, to-wit:

Board members:

| | | |
|-----------------|---|----------------|
| Robert Shepard | § | Vice President |
| Charlie Parker | § | Secretary |
| Sheri Capehart | § | Board member |
| Kathryn Wilemon | § | Board member |
| Lana Wolff | § | Board member |
| Jimmy Bennett | § | Board member |
| Michael Glaspie | § | Board member |

Absent: President Robert Cluck and Treasurer Robert Rivera

And

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|-------------------|--------------------------------|
| Trey Yelverton | City Manager |
| Carolyn Montesana | Executive Director |
| Molly Shortall | Assistant City Attorney |
| Mike Finley | CFO and Director of Finance |
| Ethan Klos | Treasury Manager |
| Jennifer Wichmann | Director, Management Resources |
| Mary W. Supino | City Secretary |

I. Call to Order:

Vice President Shepard called the meeting to order at 3:02 p.m.

II. Discussion of follow up items from June Board Retreat – North Texas Giving Day awards, Giving Categories, Multi-year Grants, Matching Requirements

Carolyn Montesana, Executive Director, provided an overview on the options for North Texas Giving Day – Arlington Grants. The consensus of the Board: offer five grants total for the event as follows:

- One \$10,000 prize awarded to an Arlington-based nonprofit which is registered for North Texas Giving Day and present at the Arlington event from 7:30 a.m. – 8 a.m. on Sept. 18 at the Levitt Pavilion.
- Four \$5,000 prizes will be awarded to the Arlington nonprofit with the most unique donors during each of these four time frames: 6am-Noon; Noon-2pm; 2pm-6pm; 6pm-Midnight; \$5,000 grants are limited to one per organization

Director Montesana continued discussion with the Board related to items previously discussed at Board meeting held on August 19, 2014 and affirmed the board's direction as follows:

- Keep Parks & Recreation, Airport and Cemetery categories in place;
- Eliminate 9 of the 10 current giving categories in lieu of utilizing the annual interest earnings pool as one distribution pool;
- Set aside at least 10% of the annual interest earnings pool to directly support City of Arlington (excluding Parks) projects or department requests;
- Split the remaining 90% of the annual earnings pool between:
 - Larger grants with the following provisions = 76.5% of total pool:
 - Tangible lasting projects
 - Grant floor of \$75,000, but no grant ceiling
 - Grant matches must be financial but one-for-one matches may or may not be required
 - Generally positioned as 'last money in'
 - Smaller grants with the following provisions = 13.5% of total pool:
 - Defined as "Community Enrichment" grants
 - Grant floor of \$5,000
 - Sweat equity, in-kind services may be accepted as a match, but with a 20% limit on sweat equity

After continuing discussions from the August 19, 2014, board meeting regarding grants supporting maintenance, operating and salary expense, the board agreed reversed direction to staff from the August 19 session and agreed to consider grants for this purpose; however, the board wishes to continue the deliberate on the matter.

Director Montesana was asked to draft language for use in Foundation materials which guides grant applicant's and captures the board's concerns on the issue of grants which offset ongoing operational expenses, including salaries and maintenance. The language should demonstrate the board's intent to avoid funding these types of activities while providing flexibility and potential criterion.

Director Montesana confirmed the Board's intention to target annual interest earnings proceeds in three broad pools for granting purposes:

- COA Department Requests (excluding Parks & Recreation Department) could receive up to 10% of annual interest earnings
- Large grants could utilize up to 76.5% of annual distribution pool
- and, Community Enrichment Grants could account for as much as 13.4% of the annual distribution pool

The board discussed current balance and use for the Reserve Pool:

- Board members confirmed their intent to encumber \$4,067,839 of the Foundation Reserve Pool for the upcoming Library Project. A majority of members agreed to set aside the remaining balance of the \$328,750 as the balance of the Foundation's Reserve Pool after a grant is made to the COA Library Project and to remove the Animal Services designation for these funds.

Director Montesana provided the Board with some examples of grant matches, for both Community Enrichment grants and large grant financial matches.

Board members decided to 'set aside' consideration of multi-year grants for future deliberations when an opportunity for this type of grant presents itself.

Final discussions included the board's desire to convene in an annual strategic planning session.

Members agreed to hold future Board meetings on Tuesdays which are not scheduled for a regular City Council work session and to utilize a more informal working lunch format for future Foundation board meetings.

III. Future Agenda Items

- Discussion related to upcoming grant applications
- Discussion on the FY 15 Foundation operating budget
- Recommendations for rebuilding the Foundation's reserve pool

There being no further business, the meeting was adjourned at 4:50 p.m.

Robert N. Cluck, President

Charlie Parker, Secretary

ATTEST:

Mary W. Supino, City Secretary